GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4916
ANSWERED ON:24.08.2001
TAX EVASION ON IMPORT OF STEEL
RAMDAS ATHAWALE

Will the Minister of FINANCE be pleased to state:

(a): whether attention of the Government has been drawn towards the newsitem `Steel Ke Aayat Par Chennai Main Ho Rahi Kaararon Ke Shulk Chori`, appearing in New Delhi edition of `Jansatta` dated May 24, 2001;

(b): if so, the details thereof; (

(c): whether the Government have got this matter inquired or propose to get it enquired;

(d): if so, the details thereof; and

(e): the effective steps proposed to be taken by the Government to prevent evasion of import duty on Steel?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a),(b),(c) & (d): Yes Sir. On receipt of specific intelligence, the Directorate of Revenue Intelligence (DRI) had started investigation in April, 2001 into the alleged under-invoicing and mis-declaration of the nature of the goods while importing certain varieties of CRGO electrical steel sheets/strips/coils/cuttings. 9 containers were seized by DRI on3rd May, 2001 and detailed investigations have been initiated by DRIand Custom House jointly against imports by same and some other parties allegedly attempting evasion of duty. Similar offences in respect of 11 other importers also have come to light which are also under investigation.

(e): Intelligence agencies of the Department and Custom Houses are already advised to be extra vigilant to detect any mis-declaration of the description of imported goods and their values. Directorate of Valuation also compiles valuation bulletins containing international and contemporaneous prevalent import prices declared at different Customs Houses and these are being circulated to field formations for guidance to guard against attempted under-invoicing.